

**WOODLAND SCHOOL DISTRICT No. 404**  
**Cowlitz County, Washington**  
**September 1, 1992 Through August 31, 1994**

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**Schedule Of Findings**

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1.     The District Should Report Staff Mix Data Correctly

School districts are required to annually report to the state Superintendent of Public Instruction (SPI) the academic credits and years of experience of its certificated staff. SPI uses this information in its determination of the amount of school apportionment funds due the district.

To ensure that amounts reported are accurate, *Washington Administrative Code* 392-121-280 requires in part:

School districts shall have documentation on file and available for review which substantiates each basic education certificated instructional employee's placement on LEAP salary allocation documents . . .

(2) Districts shall document academic credits by having on file a transcript from the registrar of the regionally accredited institution of higher education granting the credits . . .

(5)(a) For certificated years of experience obtained and reported on Form S-275 prior to the 1994-95 school year districts shall have on file documents that provide evidence of employment including dates of employment.

The district had 78 full-time-equivalent teachers and administrators during the 1993 and 1994 school years. To test the accuracy of the academic credits and experience reported to SPI, we reviewed ten certificated employee files. We found errors in reporting credits and years of experience with seven of the ten reviewed. Three of the seven errors noted were material, and affected placement of the individuals on the statewide salary schedule.

In all cases, credits and experience reported did not agree with documents in the employee's files. In one instance, ineligible academic credits were included in the figures reported. In all instances where material errors were noted, teachers were placed higher on the salary schedule than they should have been.

When the district submits erroneous staff mix reports to SPI, the district's state revenue apportionment may be incorrect. In addition, because of erroneous placement on the salary schedule, some individuals were paid more than the amount to which they were entitled. The effect of the three material errors was an overpayment of \$1,889 for fiscal year 1994 and \$3,967 for fiscal year 1993. We did not estimate the total erroneous payments made to all employees during fiscal years 1993 or 1994.

These errors occurred because the district's personnel department did not adequately verify all certificated employee files, nor have they reviewed the accuracy of information

reported to SPI.

We recommend district management review the files of all certificated employees and obtain any needed documentation to verify and support staff credits earned and years of experience reported to SPI. We further recommend district management correct reports to SPI for all variances noted as a result of their review. We also recommend the district resolve any incorrect payments to certificated personnel during school years 1993 and 1994.

2. The District Should Improve Cash Controls Over Associated Student Body (ASB) Activities

Our review of ASB activities at Woodland High School revealed accounting control weaknesses regarding procedures for several ASB activities; including student store, athletic event ticket sales, and various fund raising events.

The district had not prepared any written guidelines for Associated Student Body funds identifying the required record keeping documents, and cash control procedures to be followed by its schools.

Student Store

Records for the two years audited were incomplete. Neither the advisor nor the student in charge use reports from the district financial statement (F-196) system to compare transactions processed to their manual records for accuracy. The advisor does not prepare a profit and loss statement, or review detail records for overall reasonableness. In addition, some beginning and ending inventory cost figures were not available for the period audited. There was no evidence on file that the advisor monitored physical inventory procedures or other records prepared by students. There were some indications of problems disclosed by students, but no evidence of follow up by the advisor. Consequently, we could not verify student store activities and completeness of revenues reported.

Athletic Ticket Sales

Proper cash handling procedures require duties be separated so no one individual has both physical control over cash received and the evidence of accountability used to determine how much cash should have been collected.

The primary system weaknesses resulted from the ASB secretaries performing incompatible duties. They issued tickets to sellers, prepared ticket reconciliations after each event, and had access to cash deposited. In addition, there were too many rolls of active tickets with similar number series to provide adequate control. The high school had 46 ticket rolls on hand, none of which were imprinted with the school's name. The middle school had 16 rolls on hand, five of which were imprinted with the school's name.

Further, no one uses ticket control logs to account for all tickets used and on hand. Control at the gates was also inadequate because the duties of ticket sellers were not segregated from those of ticket takers.

Because of the system weaknesses noted above, we were unable to determine if all money from ticket sales was deposited into the ASB Fund.

Fund Raising Events

Our review also disclosed that reconciliation reports from fund raisers for the high school were not available for audit and receipts kept by school secretaries did not always identify the source of collections. Consequently, we could not verify fund raising activities and completeness of revenues reported.

To correct the weaknesses cited above, we recommend district management:

- a. Ensure that district written guidelines are prepared, disseminated to staff, and that procedures outlined in the guide are enforced.

- b. Ensure that student store records prepared by students and procedures performed by them are adequately monitored by the responsible advisor. Problems identified should be followed up in a timely manner. All records should be retained at least until they have been audited. To determine the records preservation requirements, the district should consult the state records retention manual.
- c. Assign an individual, who does not have access to cash collections or deposits, to issue unused ticket stock to sellers and maintain adequate control logs.
- d. Ensure that duties of ticket sellers and ticket takers are segregated.
- e. Ensure that ticket takers tear tickets in half, retain half, and return half to the purchaser for readmittance if necessary.
- f. Ensure that each event reconciliation form is filled out completely indicating the color and series of tickets used and that gate receipts are reconciled to tickets sold, preferably by two persons.
- g. Reduce the number of active ticket rolls to a manageable number at each school and ensure that they are properly preprinted with the school's name.
- h. Assign a supervisor to regularly monitor all ASB record keeping to ensure that control procedures are followed, and to follow up on problems in a timely manner.